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PROPOSED ATTORNEYS FOR THE DEBTORS
AND DEBTORS IN POSSESSION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	CASE NO. 14-32821-11
	§	
SEARS METHODIST RETIREMENT SYSTEM, INC., <i>et al.</i>¹	§	CHAPTER 11
	§	
Debtors.	§	Jointly Administered
	§	

**MOTION FOR EXPEDITED CONSIDERATION OF
EMERGENCY MOTION OF ODESSA METHODIST HOUSING, INC. AND CANYONS
SENIOR LIVING, L.P. FOR ENTRY OF AN ORDER (I) SUBSTITUTING THE
ORIGINAL BUDGET WITH AN EXTENDED BUDGET, AND (II) AUTHORIZING
THE CONTINUED INTERIM USE OF CASH COLLATERAL THROUGH
THE FINAL HEARING IN ACCORDANCE WITH THE EXTENDED BUDGET**

Odessa Methodist Housing, Inc. (“OMH”) and Canyons Senior Living, L.P. (“CSL”
and together with OMH, the “HUD Debtors”), as debtors and debtors in possession, by and
through their proposed undersigned counsel, hereby move (the “Expedited Motion”),² pursuant
to section 105 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”)

¹ The debtors in these chapter 11 cases, along with the last four (4) digits of their taxpayer identification numbers, are: Sears Methodist Retirement System, Inc. (6330), Canyons Senior Living, L.P. (8545), Odessa Methodist Housing, Inc. (9569), Sears Brazos Retirement Corporation (8053), Sears Caprock Retirement Corporation (9581), Sears Methodist Centers, Inc. (4917), Sears Methodist Foundation (2545), Sears Panhandle Retirement Corporation (3233), Sears Permian Retirement Corporation (7608), Sears Plains Retirement Corporation (8233), Sears Tyler Methodist Retirement Corporation (0571) and Senior Dimensions, Inc. (4016). The mailing address of each of the debtors, solely for purposes of notices and communications, is 2100 Ross Avenue, 21st Floor, c/o Paul Rundell, Dallas, Texas 75201.

seeking expedited consideration of the *Emergency Motion Of Odessa Methodist Housing, Inc. And Canyons Senior Living, L.P. For Entry Of An Order (I) Substituting The Original Budget With An Extended Budget, And (II) Authorizing The Continued Interim Use Of Cash Collateral Through The Final Hearing In Accordance With The Extended Budget* (the “Budget Substitution Motion”). In support of this Motion, the HUD Debtors respectfully represent as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction over the Expedited Motion pursuant to 28 U.S.C. §§ 157 and 1334(b). This matter is a core proceeding and this Expedited Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory basis for relief requested herein is section 105(a) of the Bankruptcy Code.

BACKGROUND

2. On June 10, 2014 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors”) commenced these cases by each filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors have continued in the possession of their property and have continued to operate and manage their business as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

3. On June 20, 2014, the Office of the United States Trustee appointed a committee of unsecured creditors (the “Committee”) pursuant to section 1102(a)(1) of the Bankruptcy Code. No trustee or examiner has been appointed in any of the Debtors’ chapter 11 cases.

4. Additional factual background regarding each of the Debtors, including their

² All capitalized terms not otherwise defined herein have the meanings ascribed to them in the Budget Substitution

current and historical business operations and the events precipitating these chapter 11 filings, is set forth in detail in the *Declaration of Paul B. Rundell in Support of First Day Motions* (Docket No. 3), incorporated herein by reference.

REQUEST FOR EMERGENCY HEARING

5. By this Motion, the Debtors seek an order setting the hearing on the Budget Substitution Motion for July 3, 2014 at 3:00 p.m. (prevailing Central Time) and authorizing shortened notice of the time set for hearing on the Budget Substitution Motion.

6. In the Budget Substitution Motion, the HUD Debtors seek entry of the Budget Extension Order, (i) substituting the Original Budget with the Extended Budget, and (ii) authorizing the continued interim use of Cash Collateral through the Final Hearing on July 15, 2014, in accordance with the Extended Budget. The HUD Debtors submit that without the authority to substitute the Original Budget with the Extended Budget they will face immediate and irreparable harm. The HUD Debtors have a vital need to use continue using Cash Collateral. Because the HUD Debtors have no funds other than Cash Collateral, the HUD Debtors have no ability to operate their businesses without the use of Cash Collateral, including, among other things, servicing the residents of the HUD Facilities. The inability to perform such critical tasks would cause immediate and irreparable harm to the HUD Debtors' estates, creditors and the residents of the HUD Facilities.

NOTICE

5. Notice of this Motion has been provided to (i) the Office of the United States Trustee for the Northern District of Texas; (ii) TDHCA; (iii) the Office of the Attorney General of the State of Texas; (iv) counsel to the Committee; (v) the Debtors' thirty (30) largest

unsecured creditors on a consolidated basis; (vi) counsel to the Secured Parties; (vii) all known parties that may be asserting a lien against any of the HUD Debtors' assets; and (viii) all parties requesting notice pursuant to Bankruptcy Rule 2002. The HUD Debtors submit that, in light of the nature of the relief requested, no other or further notice is necessary or required.

CONCLUSION

WHEREFORE, the HUD Debtors respectfully request that the Court enter an order, substantially in the form annexed hereto as Exhibit 1, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: July 2, 2014
Dallas, Texas

DLA PIPER LLP (US)

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CERTIFICATE OF CONFERENCE

I, the undersigned, hereby certify that I have contacted the affected parties to the substantive relief requested in the Budget Substitution Motion (as defined in the Expedited Motion) and, as of the time of the filing of this Expedited Motion, no agreement has been reached among the parties.

/s/ Vincent P. Slusher
Vincent P. Slusher

EXHIBIT 1
(Proposed Order)

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	CASE NO. 14-32821-11
	§	
SEARS METHODIST RETIREMENT SYSTEM, INC., <i>et al.</i>¹	§	CHAPTER 11
	§	
Debtors.	§	Jointly Administered
	§	

**ORDER GRANTING DEBTORS' MOTION FOR EXPEDITED
HEARING ON EMERGENCY MOTION OF ODESSA METHODIST
HOUSING, INC. AND CANYONS SENIOR LIVING, L.P. FOR
ENTRY OF AN ORDER (I) SUBSTITUTING THE ORIGINAL BUDGET
WITH AN EXTENDED BUDGET, AND (II) AUTHORIZING
THE CONTINUED INTERIM USE OF CASH COLLATERAL THROUGH
THE FINAL HEARING IN ACCORDANCE WITH THE EXTENDED BUDGET**

Upon the motion (the "Expedited Motion")² of Odessa Methodist Housing, Inc. ("OMH") and Canyons Senior Living, L.P. ("CSL"), debtors and debtors-in-possession in the above-

¹ The debtors in these chapter 11 cases, along with the last four (4) digits of their taxpayer identification numbers, are: Sears Methodist Retirement System, Inc. (6330), Canyons Senior Living, L.P. (8545), Odessa Methodist Housing, Inc. (9569), Sears Brazos Retirement Corporation (8053), Sears Caprock Retirement Corporation (9581), Sears Methodist Centers, Inc. (4917), Sears Methodist Foundation (2545), Sears Panhandle Retirement Corporation (3233), Sears Permian Retirement Corporation (7608), Sears Plains Retirement Corporation (8233), Sears Tyler Methodist Retirement Corporation (0571) and Senior Dimensions, Inc. (4016). The mailing address of each of the debtors, solely for purposes of notices and communications, is 2100 Ross Avenue, 21st Floor, c/o Paul Rundell, Dallas, Texas 75201.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

captioned cases (together, the “HUD Debtors”), for entry of an order granting expedited consideration of the *Emergency Motion Of Odessa Methodist Housing, Inc. And Canyons Senior Living, L.P. For Entry Of An Order (I) Substituting The Original Budget With An Extended Budget, And (II) Authorizing The Continued Interim Use Of Cash Collateral Through The Final Hearing In Accordance With The Extended Budget* (the “Budget Substitution Motion”), filed concurrently with the Expedited Motion; and the Court having jurisdiction to consider the Expedited Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and venue of this case and the Expedited Motion in this district being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and consideration of the Expedited Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that the relief requested in the Expedited Motion is in the best interests of the HUD Debtors, their estates, their creditors and other parties in interest; and due and proper notice of the Expedited Motion having been given, and it appearing that no other or further notice need be provided; and sufficient cause appearing therefore, it is hereby

ORDERED THAT:

1. The Expedited Motion is GRANTED.
2. The Court finds that due cause exists to shorten notice of the hearing on the Budget Substitution Motion.
3. The Court shall hear the Budget Substitution Motion on **July 3, 2014 at 3:00 p.m. (prevailing Central Time)** before the Honorable Stacey G.C. Jernigan, United States Bankruptcy Court for the Northern District of Texas, Earle Cabell Building, 1100 Commerce Street, 14th Floor, Dallas, TX 75242.

4. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation of this Order.

###END OF ORDER###

Order submitted by:

DLA PIPER LLP (US)

By: /s/ Vincent P. Slusher

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